

Senate File 42 - Introduced

SENATE FILE 42

BY ANDERSON

A BILL FOR

1 An Act relating to funding for projects on state and local
2 roads and bridges in critical need of repair or maintenance,
3 and making an appropriation.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 8.55, subsection 2, Code 2015, is amended
2 to read as follows:

3 2. The maximum balance of the fund is the amount equal to
4 two and one-half percent of the adjusted revenue estimate for
5 the fiscal year. If the amount of moneys in the Iowa economic
6 emergency fund is equal to the maximum balance, moneys in
7 excess of this amount shall be distributed as follows:

8 a. The first sixty million dollars of the difference between
9 the actual net revenue for the general fund of the state for
10 the fiscal year and the adjusted revenue estimate for the
11 fiscal year shall be transferred to the taxpayers trust fund.

12 b. Moneys in excess of the amount transferred under
13 paragraph "a", up to a maximum of one hundred million dollars,
14 shall be transferred to the critical needs road fund created
15 under section 312B.1.

16 ~~b.~~ c. The remainder of the excess, if any, shall be
17 transferred to the general fund of the state.

18 Sec. 2. Section 8.58, Code 2015, is amended to read as
19 follows:

20 **8.58 Exemption from automatic application.**

21 1. To the extent that moneys appropriated under section
22 8.57 do not result in moneys being credited to the general
23 fund under section 8.55, subsection 2, moneys appropriated
24 under section 8.57 and moneys contained in the cash reserve
25 fund, rebuild Iowa infrastructure fund, environment first
26 fund, Iowa economic emergency fund, taxpayers trust fund,
27 and state bond repayment fund, and critical needs road fund
28 shall not be considered in the application of any formula,
29 index, or other statutory triggering mechanism which would
30 affect appropriations, payments, or taxation rates, contrary
31 provisions of the Code notwithstanding.

32 2. To the extent that moneys appropriated under section
33 8.57 do not result in moneys being credited to the general
34 fund under section 8.55, subsection 2, moneys appropriated
35 under section 8.57 and moneys contained in the cash reserve

1 fund, rebuild Iowa infrastructure fund, environment first fund,
2 Iowa economic emergency fund, taxpayers trust fund, ~~and~~ state
3 bond repayment fund, and critical needs road fund shall not be
4 considered by an arbitrator or in negotiations under chapter
5 20.

6 Sec. 3. NEW SECTION. **312B.1 Critical needs road fund.**

7 1. A critical needs road fund is created in the state
8 treasury under the control of the department of transportation.
9 The fund shall be separate from the general fund of the state
10 and the balance in the fund shall not be considered part of
11 the balance of the general fund of the state. The fund shall
12 consist of moneys appropriated by the general assembly and any
13 revenues credited by law to the critical needs road fund. The
14 moneys in the fund are not subject to section 8.33 and shall
15 not be transferred, used, obligated, appropriated, or otherwise
16 encumbered except as provided in this section. Notwithstanding
17 section 12C.7, subsection 2, interest or earnings on moneys
18 deposited in the critical needs road fund shall be credited to
19 the fund.

20 2. Moneys in the critical needs road fund are appropriated
21 to the department of transportation to be used as directed by
22 the department exclusively for the repair and maintenance of
23 roads on the primary or secondary road system or the municipal
24 street system, including bridges. The department shall
25 establish guidelines to be used by the department, counties,
26 and cities for identifying roads and bridges in critical
27 need of repair or maintenance and for the department to use
28 in evaluating and prioritizing state and local road projects
29 to receive funding under this section. Counties and cities
30 may apply for funding from the critical needs road fund by
31 submitting to the department proposals for projects on roads
32 under their respective jurisdictions. A qualifying proposal
33 shall include information regarding the status and condition
34 of the road that is the subject of the proposal, the plan for
35 completing the project, and any other information required by

1 the department. The department shall develop an application
 2 process for counties and cities to use for the submission of
 3 proposals for the use of funds under this section. Moneys
 4 distributed from the critical needs road fund may be used
 5 in combination with other available funding as necessary to
 6 accomplish the completion of a qualifying project and to
 7 accomplish the goal of reducing the number of Iowa roads and
 8 bridges with critical needs.

9 EXPLANATION

10 The inclusion of this explanation does not constitute agreement with
 11 the explanation's substance by the members of the general assembly.

12 This bill establishes a critical needs road fund in the state
 13 treasury under the control of the department of transportation.
 14 Moneys in the fund are appropriated to the department to be
 15 used exclusively for repair and maintenance of state and local
 16 roads. The department is authorized to direct the use of the
 17 fund's resources according to guidelines to be established by
 18 the department for identifying roads and bridges in critical
 19 need of repair or maintenance and for prioritizing state
 20 and local critical needs projects. Counties and cities
 21 may submit proposals for the use of funds on roads under
 22 their jurisdiction according to an application process to be
 23 developed by the department. Moneys from the fund may be used
 24 in combination with other available funding.

25 The bill provides that if the economic emergency fund
 26 reaches the maximum balance, after the required transfer of a
 27 portion of the excess to the taxpayers trust fund and before
 28 any remaining excess is transferred to the general fund of the
 29 state, any excess moneys in an amount up to \$100 million shall
 30 be transferred to the critical needs road fund.